

Steelmaker ArcelorMittal to Sell Sole Russian Asset

By [The Moscow Times](#)

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A steel workers working at a manufacturing facility.

ArcelorMittal, the world's largest steel producer, is selling its sole asset in Russia, a Siberian coal-mining operation, documents from the Federal Anti-Monopoly Service (FAS) showed.

The steel giant is selling Severny Kuzbass (North Kuzbass), which operates two coal mines in the south west of Siberia, to private coal trader National Fuel Company, according to documents posted Friday on the FAS website.

ArcelorMittal declined to comment on Monday. The FAS did not specify the value of the deal, or any reason for the sale.

The Luxembourg-based steelmaker bought the two mines from Russian steel producer Severstal for \$652 million in 2008, when they produced a combined 1.8 million tons of concentrate a year. Production fell to 677,000 tons in 2013.

The concentrate from the mines was used for steel production at ArcelorMittal Kryvyi Rih, a subsidiary in neighboring Ukraine, where the government is battling pro-Russian separatists.

The deal comes as Russia's economy suffers from a weak ruble, tumbling oil prices and Western sanctions over Moscow's role in the crisis in Ukraine.

Nikolay Osadchiy, project manager at steel industry consultant Metal Expert, said ArcelorMittal had only a small presence in Russia.

"There would have been multiple reasons" for the sale, he said.

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